



# **ACQUISITIONS AND MERGERS IN FINANCIAL SERVICES MANAGEMENT**

INSTITUTE FOR PROFESSIONAL AND EXECUTIVE DEVELOPMENT

United Kingdom

**UNIT SPECIFICATION**

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## Unit Title

Acquisitions and Mergers in Financial Services Management

## Credit value

The credit value for this unit is 30

30 credits equivalent to 300 hours of teaching and learning  
(10 hours is equivalent to 1 credit)

Guided learning hours (GLH) = 50 hours

GLH includes lectures, tutorials and supervised study. This may vary to suit the needs and requirements of the learner and/or the approved centre of study.

Directed learning = 50 hours: This includes advance reading and preparation, group study, and undertaking research tasks.

Self-managed learning = 200 hours: This includes completing assignments and working through the core and additional reading texts. It also includes personal research reading via other physical and/or electronic resources.

<b>Learning outcome</b> Learner will:	<b>Assessment criteria</b> Learner can:
1.0 Understand the nature of acquisitions and mergers	1.1 Explain what is meant by a merger and an acquisition 1.2 Identify the key differences between mergers and acquisitions 1.3 Differentiate between a reverse takeover and a reverse merger
2.0 Understand the motives behind the rapid growth of financial services mergers	2.1 Critically analyse the factors that encourage the merging of financial services institutions (e.g. profit potential, risk reduction, rescue of failing institution, tax and market positioning motives, cost savings or efficiency motives, mergers as a device for reducing competition, mergers as a device for maximizing management welfare)
3.0 Understand how a financial services institution can make a success of a merger	3.1 Critically analyse the key considerations that must be made by a financial services firm in choosing a merger partner that is suitable 3.2 Critically analyse the key steps that must be taken to improve the chances of a desirable merger outcome.
4.0 Understand the methods of consummating merger transactions	4.1 Critically examine methods by which mergers usually take place (pooling of interests, purchase accounting) 4.2 Differentiate between the purchase-of-assets method and the purchase-of-stock method of the merger process
5.0 Understand how the bank merger process is regulated	5.1 Critically examine regulatory rules for bank mergers in the USA, Europe, Asia and Africa

<p>6.0 Understand the impact of financial service mergers</p> <p>7.0 Understand the practical aspects of mergers and acquisitions</p> <p>8.0 Understand the respective regulations or laws regarding mergers and acquisitions</p>	<p>5.2 Critically examine the importance of regulations in bank mergers</p> <p>6.1 Critically analyse the financial and economic impact of acquisitions and mergers</p> <p>6.2 Critically analyse public benefits from mergers and acquisitions</p> <p>7.1 Examine relevant case studies on mergers and acquisitions such as:</p> <ul style="list-style-type: none"> <li>- Disney’s acquisition of Pixar</li> <li>- The Morgan Stanley-Dean Witter Merger</li> <li>- Jet airways’ attempted acquisition of Air Sahara</li> </ul> <p>8.1 Examine the laws or regulations with respect to mergers and acquisition in learner’s home country and the respective sub-region</p> <p>8.1.1 Review a case study on the comparative differences between merger rules and regulation in his/her home country and another country of choice</p> <p><u>Please note:</u> Regulations on mergers and acquisitions differ from country to country. The learner must as a result access the current regulations on mergers and acquisition in the country where the qualification is being delivered or used.</p>
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## Recommended learning resources

<b>Indicative reading</b>	<p>Timothy Koch 2009; Bank management, 7th edition. South Western College ISBN: 978-0324655780</p> <ul style="list-style-type: none"><li>• For a full list of textbooks and publications relevant to this unit, please contact IPED - UK.</li></ul>
<b>Learning Aid</b>	<ul style="list-style-type: none"><li>• A comprehensive IPED study material is available to aid in learning and research of this unit.</li><li>• We supply IPED course materials free of charge. Our study materials, which offer quick learning start, are comprehensive, use simple English, and are easy to read and understand. The contents are so sufficient and self-explanatory; that in majority of cases readers do not require further support; although support is always available when you need it.</li></ul>